



Reference: AUD-7-1: 31 (1320 /03)

Date: 5 November 2003

To: Mr. Ramiro Lopes da Silva  
Humanitarian Coordinator, UNOHCI

From: Uwe Hain, Officer-in-Charge  
Internal Audit Division I, OIOS

A handwritten signature in dark ink, appearing to read "Uwe Hain", is written over the printed name and title of the sender.

Subject: **OIOS Assignment No. AF2003/21/2: UNOHCI liquidation – Human  
Resources management**

1. OIOS conducted a review of the activities for the downsizing and withdrawal of the United Nations Office of the Humanitarian Coordinator for Iraq (UNOHCI) personnel, whose mandate ends on 21 November 2003. The audit included a review of management controls at the Headquarters level and a limited testing of activities. The objective of this review was to highlight certain issues concerning the downsizing and withdrawal of Mission's personnel, which in our opinion require immediate attention. We would appreciate receiving your comments concerning the recommendations not later than 21 November 2003.

Background

2. In accordance with the Security Council resolution (SCR)1483 (2003) of 22 May 2003, UNOHCI initiated the termination of its operations that must be completed by 21 November 2003. The resolution also recommends an "overall approach and structure for the United Nations presence in Iraq for the remainder of 2003". Furthermore, paragraph 18 of the resolution requires the Programme to "terminate effective on the adoption [of the resolution] the functions related to the observation and monitoring activities".

3. Even though UNOHCI is to be phased out by 21 November 2003, the SCR 1500 (2003) of 14 August 2003 established the United Nations Assistance Mission for Iraq (UNAMI), with a staff strength consisting of over 300 civilian staff, to support the Secretary-General to fulfill the UN's mandate in Iraq. As a result of recent attacks on the United Nations presence in Baghdad, all personnel deployment is suspended pending a security review and a re-assessment of the United Nations' role in the country. On 25 September 2003, the Secretary-General ordered a further temporary redeployment of the remaining United Nations international staff in Iraq, as the security situation in the country remained under constant review.

#### Downsizing and withdrawal schedule

4. Following SCR 1483 (2003), a withdrawal timetable for all civilian components, including observation and monitoring personnel, and Programme and support staff was prepared by the Mission and submitted to the Office of the Iraq Programme (OIP) on 6 June 2003. The basic assumptions of the initial plan were that: (i) the main reduction of personnel would come from the areas associated with observation/monitoring functions, (ii) administrative support staff would be proportionally reduced in size, and (iii) additional administrative resources would be needed (because of the war and subsequent looting) to verify and identify all of the UN's assets located in Baghdad and the three northern governorates.

5. The OIOS review found that the basic assumptions of the initial plan were departed from, i.e. downsizing plans for the administrative and the programme components of the Mission were prepared independently of each other with no discernable functional links between them. The administrative component plan included the precise dates for downsizing, repatriation of personnel, as well as details of human resources requirements and a timetable for completion of all personnel related liquidation tasks and activities in the field. The programme component plan only contained tasks and associated deadlines, without an indication of the details of human resources requirements and timeframes for downsizing. Furthermore, the programme staff complement was kept static until the end of the mandate, with levels ranging from 50 to 70 percent of the prior SCR 1483 levels. As of the date of this review, 94 programme staff and 49 administrative international staff were included in the UNOHCI's staff complement.

6. The UNHQ Office of Programme, Planning, Budget and Accounts (OPPBA) prepared, for budgetary purposes, a comprehensive timeline and draw down schedule of tasks to be carried out pursuant to SCR 1483 (2003). It should be noted that the Mission's proposed staffing levels for each month except September exceeded the authorized staffing levels. Furthermore, the posts authorized from December 2003 through March 2004 were not included in the Mission's monthly reduction submission. Even though the Mission's administration endeavored to adhere to the authorized liquidation budget by preparing three adjusted versions of the initial downsizing plan, our review found that no formal response was made to the UN Controller's memo dated 12 August 2003 which requested the submission of a revised monthly schedule for post reduction. Furthermore, the adjusted downsizing plans covered the administrative component only.

#### **Recommendation 1**

UNOHCI should immediately prepare a consolidated personnel drawn-down plan and submit it to the appropriate UNHQ personnel for approval. The plan should clearly incorporate the details of both programme and administrative human resources requirements linked to the liquidation tasks and activities in the field that will cease on 21 November 2003 (AF03/21/2/001).

### Observation and monitoring personnel

7. Out of the total of 94 programme staff, 55 represent observation/monitoring personnel. An updated comparative summary of the monitoring/observation personnel is shown in the table below:

*Table I*

Status	Monitoring and observation personnel		
	30 Jun 2003	31 Aug 2003	30 Sept 2003
On Evacuation Status	29	14	44
On Board	40	43	11
Total on Staff Complement	69	57	55
Discontinued during the period	N/A	12	2

8. According to SCR 1483 (2003) it was decided to terminate the observation and monitoring activities undertaken under the Oil-for-Food Programme, effective 22 May 2003. Furthermore, a memorandum dated 16 June 2003 from the Personnel Management and Support Service (PMSS) was sent to the Mission administration requesting the separation of the concerned staff members by 30 June 2003. During the period from June to September 2003, 14 monitoring and observation personnel were released. As of 30 September 2003, approximately 80 percent remained on the staffing table.

### Substantive work plans through the termination of the Programme

9. According to the Head of the Mission and senior programme staff members in the field, paragraphs 16 (a), (b) and (f) of SCR1483(2003) were interpreted to require new tasks for the personnel previously engaged in monitoring and observation functions. Specifically, the new tasks undertaken involved: (i) prioritization of funded applications and determination of utility of the commodities on each approved and funded contract, (ii) assessments of 24 Iraqi business sectors, including the oil sector, and (iii) preparing documents to be transferred to the Authority. The Head of the Mission also informed OIOS that the corporate knowledge and experience developed over the years by the personnel previously involved in monitoring and observation functions made them suitable to undertake these new tasks which were deemed essential for a successful handing over of the Programme.

10. The work plans prepared by the programme component in the context of the initial downsizing and withdrawal plan submitted by the Mission on 6 June 2003 already included the above-mentioned new tasks, for which an observers complement of 65 percent of pre-SCR1483 (2003) levels was provided. OIOS concluded that there were only a limited number of core activities

that might be linked to the new tasks: (i) sectoral overview of the Oil-for-Food Programme and developing criteria for project prioritization and classification (estimated completion – end December 2003), (ii) review of all contracts and developing mechanisms to assess the financial implications of the premature termination of any contracts (estimated completion – end of October 2003), (iii) process information from completed check lists (estimated completion – end of November 2003), and (iv) establish a transparent mechanism to carry out the handing over of the Programme, including preparing inventories, lists of documents, electronic databases and transfer of the operational responsibilities (estimated completion – mid June 2003).

11. Furthermore, the work plan appeared poorly designed with tasks and activities not linked to their human resource requirements (such as former observers/monitoring personnel), and lacked a baseline defining milestones and reporting of progress achieved. Overall, the work plan provided modest justification for the scope of the new tasks associated with the observation and monitoring personnel. Furthermore, SCR 1483 (2003) does not contain any reference to the sectoral assessments referred to in paragraph 10, which was used as a justification for retaining personnel.

#### Utilization of personnel

12. Since February 2003, the monitoring and observation personnel registered the lowest utilization rate within the overall Mission. For the 55 monitoring and observation personnel on board as of 30 September 2003, OIOS calculated that the evacuation arrangements translated to a total of approximately 6,000 days with paid monthly evacuation allowances from February 2003 onwards. Similarly, we calculated that approximately 3,000 days were spent on evacuation status since 22 May 2003, the date of SCR 1483. OIOS' review also found that 20 monitoring and observation personnel account for 76 percent of the total number of days spent on evacuation status, as shown in Appendix 1.

13. Following the precautionary measures contained in the travel advisory for Iraq issued by the Office of the United Nations Security Coordinator (UNSECOORD) on 03 February 2003, a sizeable percentage of monitoring and observation personnel were placed on home country evacuation status. UNSECOORD subsequently declared the evacuation status in the Mission area on 17 March 2003. From September 2003 onwards, most of the monitoring and observation personnel were again redeployed with full evacuation status.

#### Extension of appointments while on evacuation status

14. OIOS' review found that 15 observation and monitoring personnel were granted extensions of appointments although most of them were on home country evacuation status for several months. Seven other observation and monitoring personnel, although with valid appointments until 31 December 2003, were separated by the end of August 2003. However, the Mission's administration informed OIOS that all seven observation and monitoring personnel have been subsequently recalled upon OIP's request. Currently, they hold appointments through 31 December 2003. Although requested, OIOS was not provided with documents to substantiate OIP's request. The remaining

eight observation and monitoring personnel were extended from 1 July to 30 November 2003, based on a UNOHCI administration request and OIP's approval.

15. In OIOS' view, adequate planning for the use of the observers on evacuation status had not been done. Moreover, the audit did not reveal any specific reasons why it was necessary to keep on board a substantial number of monitoring/observation personnel when their core functions had been discontinued ,

**Personnel on non-reimbursable loan with United Nations agencies**

16. OIOS' review also found that out of a total number of 55 monitoring and observation personnel, 17 are on non-reimbursable loan to other United Nations agencies, mainly performing tasks related to sectoral assessments (Annex 2). In OIOS' view, the tasks conducted from satellite locations (e.g. Amman, Beirut, Cairo and Geneva) appear superfluous in the context of Mission's liquidation.

**Recommendations 2, 3 and 4**

UNOHCI should:

- (i) Provide adequate justification for the retention of observation personnel after the termination of the observation functions in Iraq on 22 May 2003 (AF03/21/2/002);
- (ii) Prepare plans for the retention of observation personnel and other personnel on evacuation status, indicating the reason for their retention, expected date of their deployment, and the functions they will be performing (AF03/21/2/003); and
- (iii) Provide justification for the non-reimbursable loan of UNOHCI personnel to United Nations agencies, including how their tasks relate to the liquidation of the Mission (AF03/21/2/004).

**Staff reassignment process**

17. PMSS requested the release of several key UNOHCI administrative staff for immediate reassignment to other missions. The concerned staff members had valid appointments through 31 December 2003 with UNOHCI and were deemed essential by the Mission's administration for the final liquidation. Furthermore, a prior agreement with the Mission's Chief Administrative Officer for earlier release was not sought by PMSS, although a liquidation plan indicating the dates when each staff member could be released was made available in due time to PMSS.

18. Even though OIOS fully concurs with the requirement to prioritize the selection of staff from

downsizing missions, the transfer of key mission personnel during critical liquidation stages could adversely impact the liquidation exercise. The use of staff from a liquidating mission as a resource pool for new missions should be carefully considered, and in the instant case, PMSS should first seek the Mission's concurrence for staff release and reassignment to other missions.

#### Other personnel related issues

19. The Mission's administration decided to place the Chief Finance Officer (CFO) of the Mission on extended evacuation status based on home country at the beginning of April 2003, with full paid evacuation allowances until 31 August 2003, whereupon he attained the mandatory age of retirement and termination of his appointment. While questioning the appropriateness of these arrangements, the Mission's administration informed OIOS that while on board, the CFO did not properly conduct his work responsibilities and had poor relations with both the administration and the Mission's personnel. Prior to placing the CFO on evacuation status, the Mission's administration forwarded these concerns to the Department of Peacekeeping Operations (DPKO) on 9 March 2003 and requested his temporary reassignment to other missions for the remaining duration of his appointment with UNOHCI. No response to these concerns was received from DPKO. In OIOS' view, the arrangements made to place the CFO on evacuation status while UNOHCI went without the services of a CFO were inappropriate.

20. OIOS also found that effective 1 September 2003, the CFO had been offered an appointment by the PMSS as Chief Finance Officer in another peacekeeping mission. The Mission's administration was not consulted by the PMSS on this appointment. In OIOS' opinion, DPKO should have consulted UNOHCI on the staff member's performance prior to appointing him to a position with another mission. Furthermore, DPKO should have fully assessed his performance and suitability for a new mission appointment.

#### **Recommendations 5, 6 and 7**

DPKO should:

- (i) Prior to transferring essential staff from a liquidating mission, seek the prior concurrence of that mission's administration and fully address the impact this will have on the liquidating exercise (AF03/21/2/005);
- (ii) In light of the performance of the CFO in UNOHCI, obtain further information on his past performance, and reassess his appointment to another mission based on such a performance evaluation (AF03/21/2/006); and
- (iii) Establish pre-appointment screening and job performance assessment procedures for personnel in order to determine their

suitability for future appointments (AF03/21/2/007).

21. I take this opportunity to thank the management and staff at the UNHQ and UNOHCI for the assistance and cooperation provided to the auditors in connection with this audit segment.

Copy to:

Mr. B. Sevan, Executive Secretary, OIP

Mr. J.P. Halbwachs, ASG and Controller

Ms. J.H. Lute, Office for Mission Support, DPKO

Mr. P. Aghadjanian, CAO, UNOHCI

# APPENDIX 1

## Number of days spent on evacuation status for the period February-September 2003

<u>No.</u>	<u>Name</u>	<u>Evacuation Status</u>	
		<u>Total Days</u>	<u>Days since 22 May</u>
1	Unachukwu, Raphael	223	131
2	Jagne, Momodou	211	117
3	Sharma, Sudip	211	112
4	Mao, Mohamed	210	115
5	Daoud, Mohammad	207	116
6	Pekurel, Arun	207	120
7	Li, Dongting	205	131
8	Sharma, Rajiva	205	131
9	De Souza, Carlyr	203	109
10	Bouda, Jaroslav	202	109
11	Nabiel, Enayatullah	194	114
12	Farray, Francis	190	102
13	Ilyas, Mohammad	188	115
14	Lopez-Bernal, Violeta	188	97
15	Mundarath, M.	188	116
16	Panachikavayanil, Sebastian	184	104
17	Carpenter, Sylvia	130	130
18	Kinuthia, Stephen	113	113
19	Bunyinyiga, Jackson	104	104
20	Hasan, Qamrul	<u>100</u>	<u>100</u>
Total		<u>3,663</u>	<u>2,286</u>
Total no. evacuation days		<u>5,945</u>	<u>3,002</u>
		62%	76%



## APPENDIX 2

### Personnel on non-reimbursable loan to other United Nations agencies as of 30 September

<u>No.</u>	<u>Name</u>	<u>Parent organization</u>	<u>Status</u>
1	Bani, Ibrahim	WHO	On board - Amman
2	Baraka, Djaffar*	WFP	On evacuation status
3	Bisalinkumi, Ezechiel	WHO	On evacuation status
4	Carpenter, Sylvia	UNESCO	On evacuation status
5	Diaz, Juan Antonio	WHO	On board - Cairo
6	Diaz-Herrera, Cintia	WHO	On board - Geneva
7	Egbuta, John	UNICEF	On board - Amman
8	El-Awar, Faraj	UNDP	On board - Beirut
9	Kadambari, Mallikarjun	UNDP	On evacuation status
10	Khan, Muhammad	FAO	On board - Amman
11	Kinuthia, Stephen	FAO	On evacuation status
12	Mehary, Zewdie*	WFP	On evacuation status
13	Mugachia, Joseph	FAO	On evacuation status
14	Raja, Mahmood	FAO	On board - Amman
15	Siddiqui, Quidsia	UNDP	On evacuation status
16	Syed, Khalid	UNDP	On Annual Leave
17	Thwin, Aye	FAO	On evacuation status

\* Staff members subsequently released upon completion of their appointment on 16 October 2003;